

# Rewald Lawyer Joins Belli in Suing CIA for Funds

By Charles Memminger  
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Ronald Rewald's civil attorney has joined Mainland attorney Melvin Belli, who is representing a couple who lost money in Rewald's investment company, in filing a multimillion dollar claim against CIA.

Attorney Robert Smith today acknowledged that the arrangement is a conflict of interest, but said Rewald and investor Ted Frigard are aware of the conflict and approve of the arrangement.

"Mr. Rewald understands that whatever evidence he gives in this case can be used against him. Our first aim is to recover money for investors. . . . Frigard can have full access to whatever Mr. Rewald says in a public courtroom and his attorneys will have full knowledge of the case. If that comes back to haunt him (Rewald) then so be it," Smith said.

The disclosure was made at a news conference this morning in Smith's office attended by Frigard and his wife.

FRIGARD, A retired chiropractor, invested \$300,000 in Rewald's company — Bishop, Baldwin, Rewald, Dillingham & Wong — after actor Jack Lord introduced Rewald to him.

Frigard said he believes that Rewald had been working for the CIA for 21 years and feels the agency should be held accountable for investors' money.

(After the company's collapse, CIA officials weeded out six packets of documents from Rewald's files that they claimed needed to be sealed for national security reasons. U.S. Judge Martin Pence in September ordered the documents sealed.)

Frigard also disclosed another reason for entering into this arrangement with Rewald: Frigard said he has made an agreement with Rewald to do a movie on Rewald's life and has already written a partial script and interviewed Rewald 14 times.

Tentative title of the movie is "Winter Dog."

Frigard said he was working on a television adaption of an old trial movie when Rewald's firm collapsed last August. Belli, his friend and attorney, was to have portrayed a judge in that movie.

AFTER HEARING the facts of Frigard's association with Rewald, Belli suggested that Frigard sue the CIA. Frigard said Rewald told him he was associated with the CIA and that was one reason why Frigard invested the money in the company.

"I felt it was protected," he said.

Frigard said at first he felt he had been swindled but, after doing research on Rewald and Rewald's association with the CIA, he now believes Rewald's story.

Smith said he made the arrangement with Belli because he does not have the time nor the resources to represent Rewald by himself.

"I do not have the wherewithal even if I had the time" to pursue the case.

He said Belli's fee will be 25 percent of whatever is recovered for investors in the claim against the CIA.

Smith said he believes the bulk of the money that came into Rewald's company came from the CIA.

HOWEVER, Thomas Hayes, administrative controller for the bankrupt company, said again this morning that he has tracked

down all the significant deposits in the company and there are no large amounts unaccounted for.

"No CIA funds were ever put into Bishop, Baldwin, Rewald, Dillingham & Wong other than minor reimbursements. There is no case against the CIA whatsoever," Hayes said.

He said Smith has a computer printout that shows most of the money came from investors and went to pay for Rewald's personal expenses.

Smith also announced that accountant Dirk von Guenther has joined the Rewald defense team to analyze the thousands of pages of documents that are part of criminal and civil court cases.

Rewald remains in jail while his attorneys continue trying to find a bonding company willing to post his \$140,000 bail, lowered last week from \$200,000.

Samuel King Jr. said yesterday that no local bonding companies are willing to put up the money, even with Wisconsin property worth some \$180,000 and \$20,000 in cash as collateral. The cash has been raised by Rewald's friends and the property belongs to Rewald's family, King said.